FINANCIAL NEWS

NRN Index down 0.6 to 132.3; losers top gainers

NEW YORK — The *Nation's Restaurant News* Food-Service Operators' Stock Index moved counter to broader averages in the week ended July 12, dipping 0.6 points, to close at 132.3, while the Dow Jones Industrials Average scored a new record of 1,338.60, up 4.15.

The overall market was buoyed by prospects of lower oil prices, analysts said. But June's retail sales slipped a seasonally adjusted 0.8% from the figure for May.

Issues declining in price outnumbered advancers 50 to 43, with 43 unchanged, on the full *NRN* 116-stock listing.

Associated Hosts, indicating a sale of the company may be near, gained $1, to $12.38 per share.

Penny-stock Kelly-Johnston led the losers' list, off 13¢ to 38¢.

Among the bellwether issues, McDonald's dropped $2.25 per share, to close at $67.38. Shoney's gained 13¢, to $29.25. Wendy's, unchanged at $17.50.

Western Steer, which gained $2 at $11.50 on volume 241% heavier than its previous 12-week average, said it earned 27¢ in the latest quarter, up 3.8% from the year before.

Penny-stock Stuff Yer Face led the price-winners' list, up 13¢ to 63¢. Fast Food Operators gained 19¢, to 94¢. Nankin Express recovered 13¢, to 75¢. Taco Viva, up 75¢, to $6.13.

Swensen's Inc. lost 38¢ to close at $2.13, to rank second on the loser's list. One Potato Two, off 13¢ to 88¢.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Wstn Steer	M	241.4	TGIF Texas	O	188.9
Skippers	M	215.9	Folks Rest	O	167.6
Assoc Hosts	M	213.9	USACafes	M	148.5
Taco Viva	M	209.8	Hamburg Hamlet	O	143.6
Fast Food Oper	O	204.0	Po-Folks	M	133.7

TOP TEN GAINERS

(Weekly Price Change, in %)

Stuff Yer Face	O	25.0	Kapok Cp	A	13.3
Fast Food Oper	O	25.0	Assoc Hosts	M	8.8
Wstn Steer	M	21.1	Karcher Carl	M	8.3
Nankin Express	O	20.0	Po-Folks	M	8.3
Taco Viva	M	14.0	Fuddruckers Inc	M	8.3

TOP TEN LOSERS

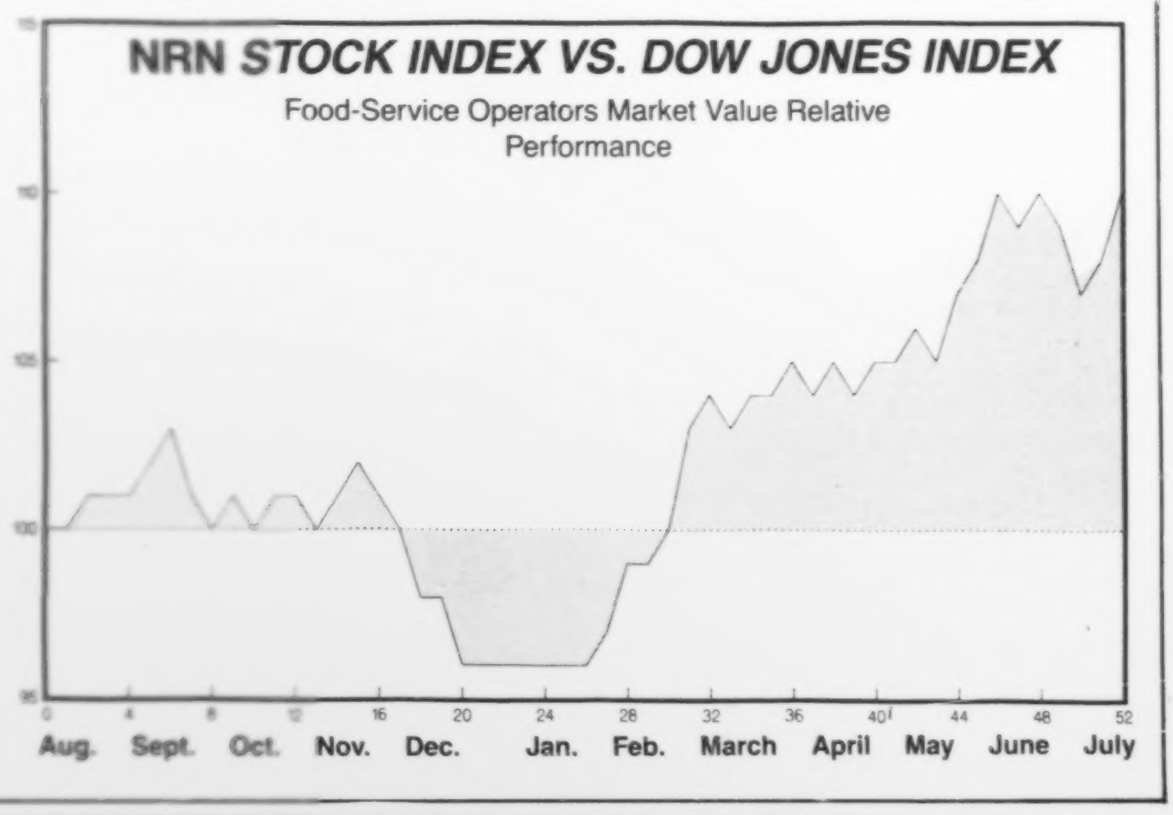
(Weekly Price Change, in %)

Kelly-Johnston	O	- 25.0	Capt Crab	M	- 10.0
Swensens Inc	O	- 15.0	So Hospitality	M	- 9.5
1 Potato 2	O	- 12.5	Good Taco	O	- 9.1
Lifestyle Rest	A	- 11.1	Cracker Barrel	M	- 8.8
Folks Rest	O	- 10.0	Brock Hotel Cp	N	- 8.3

Company and Market	Stock Market: Price: 7-12-85 Close	Weekly Change: Amt.	Weekly Change: Pct.	Weekly Range: High	Weekly Range: Low	52-Week Range: High	52-Week Range: Low	Volume: Weekly Shares Traded: Total	Weekly Shares Traded: % Out	12-Week Avg. Vol. As % Out	Volume Trend Change	Financial Update: P/E Ratio	Indicated Dividend Rate: Amt.	Indicated Dividend Rate: Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue: Amt.	Latest Quarter: Revenue: Chg.	Latest Quarter: Net Income: Amt.	Latest Quarter: Net Income: Chg.	Latest Quarter: E.P.S.: Amt.	Latest Quarter: E.P.S.: Chg.	Year-to-Date: Revenue: Amt.	Year-to-Date: Revenue: Chg.	Year-to-Date: Net Income: Amt.	Year-to-Date: Net Income: Chg.	Year-to-Date: E.P.S.: Amt.	Year-to-Date: E.P.S.: Chg.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	6.75	.38	5.9	6.75	6.38	7.13	3.50	120	.34	.68	- 50.0	20.5	.00	.0	—	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests O	4.13	- .25	- 5.7	4.38	4.13	5.38	3.50	30	.12	.66	- 81.8	31.7	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants O	3.75	- .13	- 3.2	4.00	3.75	5.75	2.38	75	.33	.25	32.0	75.0	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts M	12.38	1.00	8.8	12.63	10.75	17.13	10.75	2,888	6.53	2.08	213.9	16.7	.12	1.0	—	6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl M	20.38	- .25	- 1.2	20.50	19.63	21.75	10.75	622	2.14	5.26	- 59.3	19.0	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	22.75	1.00	4.6	22.75	21.50	22.75	15.25	1,030	.63	.62	1.6	20.5	.30	1.3	—	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp M	2.50	- .13	- 4.8	2.50	2.13	5.13	.63	36	.12	.55	- 78.2	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	13.50	.13	.9	13.63	13.13	13.63	8.13	1,202	2.66	2.00	33.0	19.9	.16	1.2	NEW	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab M	1.69	- .19	- 10.0	1.81	1.69	2.88	1.31	1,344	.88	1.17	- 24.8	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	8.50	.00	.0	8.63	8.25	11.50	7.88	438	.56	.70	- 20.0	11.5	.07	.8	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl O	.69	.00	.0	0.75	0.69	1.06	.38	1,458	.75	.46	63.0	NE	.00	.0	NEW	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's M	13.25	.25	1.9	13.38	12.75	18.00	9.38	20,973	7.78	3.63	114.3	21.0	.00	.0		9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc M	28.25	- .50	- 1.7	28.63	28.00	28.88	14.50	1,392	2.99	2.24	33.5	36.7	.00	.0	—	9 mos.	03-85	17.3	60.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	18.13	- .38	- 2.0	18.63	17.75	20.25	12.75	6,429	1.71	1.71	.0	15.6	.44	2.4	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods N	24.13	.13	.5	24.50	24.00	24.88	11.75	2,212	1.68	.91	84.6	17.5	.16	.7	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev M	12.00	- .88	- 6.8	12.63	11.50	16.75	5.75	1,188	2.30	4.65	- 50.5	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts M	4.31	.06	1.5	4.31	4.25	5.88	4.00	179	.54	.38	42.1	13.1	.08	1.9	NEW	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant M	4.50	.00	.0	4.63	4.25	11.88	3.38	675	1.48	2.50	- 40.8	NE	.00	.0		9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel M	13.00	- 1.25	- 8.8	14.00	13.00	23.50	11.75	116	.33	1.33	- 75.2	18.1	.14	1.1	NEW	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc O	4.75	.25	5.6	5.25	4.50	5.75	2.75	40	.23	.21	9.5	33.9	.00	.0	—	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods M	11.13	- .25	- 2.2	11.38	11.00	14.63	8.00	221	.07	6.30	- 98.9	27.1	.34	3.1	—	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DiLites Of Amer M	10.25	.63	6.5	10.50	9.38	15.50	9.00	1,582	3.11	3.27	- 4.9	78.8	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts M	24.75	1.63	7.0	24.75	23.38	24.75	14.59	880	1.23	2.06	- 40.3	18.3	.24	1.0	—	6 mos.	04-85	.7	- 96.8	2.8	16.7	.38	15.2	24.7	- 41.3	5.4	14.9	.74	15.6
El Chico M	12.25	.50	4.3	12.50	11.75	12.50	7.25	1,306	2.81	2.03	38.4	15.7	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Pollo Asa O	5.50	.00	.0	5.75	5.38	6.34	1.84	264	1.04	3.43	- 69.7	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest N	17.13	- .38	- 2.1	17.62	16.88	19.25	9.88	1,024	.92	.96	- 3.2	16.8	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper O	.94	.19	25.0	1.06	0.75	1.63	.63	900	1.52	.50	204.0	31.3	.00	.0	—	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes M	5.38	.25	4.9	5.38	4.88	8.50	4.88	1,564	2.26	1.92	17.7	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest O	2.25	- .25	- 10.0	3.25	2.25	7.38	2.25	137	.91	.34	167.6	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Fresher Cooker O	.38	.00	.0	0.63	0.38	6.63	.25	69	.31	.97	- 68.0	NE	.00	.0	—	3 mos.	03-85	.7	- 22.2	(.2)	NE	(.15)	NE	.7	- 22.2	(.2)	NE	(.15)	NE
Frisch's A	25.50	- .50	- 1.9	26.00	25.50	26.00	14.50	30	.07	.25	- 72.0	21.6	.22	.9	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	8.13	.63	8.3	9.00	7.38	15.13	6.00	3,890	5.98	4.21	42.0	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot M	2.44	.00	.0	2.50	2.38	5.00	1.63	917	1.53	1.52	.7	NE	.00	.0	—	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Good Taco O	.63	- .06	- 9.1	0.69	0.63	3.25	.25	246	.83	1.29	- 35.7	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hamburg Hamlet O	14.25	- .50	- 3.4	15.00	14.25	15.25	10.50	68	.95	.39	143.6	7.7	.00	.0		9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	4.81	.19	4.1	4.88	4.63	6.50	3.63	423	1.47	1.14	28.9	NE	.00	.0		6 mos.	02-85	14.5	- 8.8	(.4)	- 100.0	(.12)	- 100.0	28.9	- 6.8	(.5)	- 100.0	(.16)	- 100.0
Intl Dairy Queen O	54.50	.50	.9	57.50	54.50	54.50	39.00	18	.09	.11	- 18.2	13.4	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab M	18.50	.00	.0	18.88	17.75	24.75	13.41	677	2.36	2.07	14.0	13.2	.00a	.0		9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest M	14.38	- .25	- 1.7	14.75	14.25	15.50	7.84	599	1.71	5.60	- 69.5	18.0	.16	1.1		6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc M	20.88	.63	3.1	21.00	20.13	21.50	14.13	2,371	1.50	3.45	- 56.5	15.3	.12	.6	—	9 mos.	03-85	122.3	.2	4.3	- 4.4	.27	- 6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp A	4.25	.50	13.3	4.38	3.63	4.38	1.13	854	3.81	1.98	92.4	6.6	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	16.38	1.25	8.3	16.63	15.13	29.63	13.50	1,409	1.99	2.13	- 6.6	10.0	.00	.0	—	fiscal	01-85	75.3	8.2	1.4	- 33.3	.20	- 28.6	331.4	14.4	11.6	.9	1.64	1.2
Kelly-Johnston O	.38	- .13	- 25.0	0.50	0.38	5.00	.25	324	.38	2.06	- 81.6	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest A	2.00	- .25	- 11.1	2.25	2.00	3.50	1.75	118	.21	.39	- 46.2	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe N	35.13	2.50	7.7	36.50	32.50	36.50	24.00	1,133	.93	.71	31.0	22.7	.54	1.5	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	18.88	.50	2.7	19.00	18.38	19.00	12.25	391	.77	.59	30.5	12.3	.30	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	96.25	- .63	- .6	97.00	94.75	97.00	64.88	1,089	.41	.59	- 30.5	16.9	.54	.6	NEW	6 mos.	05-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	3.13	- .25	- 7.4	3.38	3.13	6.25	2.25	122	.25	.38	- 34.2	39.1	.00	.0		fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max & Erma's O	2.88	- .13	- 4.2	3.50	2.88	4.75	2.50	2	.01	.24	- 95.8	NE	.00	.0	—	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp N	67.38	- 2.25	- 3.2	69.63	67.13	70.00	45.19	6,545	.76	1.02	- 25.5	15.3	.90	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures O	10.75	.38	3.6	11.00	10.38	12.25	9.63	825	1.69	.75	125.3	15.8	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	21.38	1.38	6.9	21.50	20.00	21.38	15.50	4,174	3.15	1.49	111.4	14.0	.48	2.2	NEW	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak O	2.13	.00	.0	2.38	2.13	3.13	1.13	195	.41	.90	- 54.4	NE	.00	.0	—	6 mos.	03-85	.9	- 94.8	(.2)	NC	(.05)	NC	14.8	- 54.7	(.1)	NC	(.03)	- 100.0
Nankin Express O	.75	.13	20.0	1.00	0.63	2.38	.63	208	.92	.87	5.7	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans M	3.63	.00	.0	3.63	3.50	4.50	2.00	80	.36	.51	- 29.4	11.3	.00a	.0	—	fiscal	03-85	5.5	34.1	(.2)	NE	(.07)	NE	22.7	13.5	.7	75.0	.32	68.4
Neff Pizza M	12.25	.75	6.5	12.25	11.38	12.25	7.50	291	.53	1.01	- 47.5	17.5	.00	.0		fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc M	4.75	- .13	- 2.6	4.88	4.63	10.13	4.50	531	1.17	1.65	- 29.1	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	8.13	.00	.0	8.63	8.13	8.50	5.94	10	.08	.44	- 81.8	47.8	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	- 100.0	4.7	4.4	(.1)	NC	(.11)	- 100.0
1 Potato 2 O	.88	- .13	- 12.5	1.13	0.88	8.25	.88	108	.49	.49	.0	NE	.00	.0	—	fiscal	01-85	4.4	NC	(4.5)	NC	(2.08)	NC	15.4	NC	(6.0)	NC	(2.77)	- 100.0
Old Fashion Fd M	4.50	.00	.0	4.50	4.25	5.50	4.00	62	.44	.39	12.8	9.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet M	8.13	.13	1.6	8.25	7.88	8.38	6.00	2,369	6.38	3.53	80.7	14.8	.13	1.6	—	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Pco Restaurants M	.13	.00	.0	0.19	0.13	1.88	.13	1,192	1.38	2.22	- 37.8	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	22.50	- .25	- 1.1	23.00	22.50	24.25	16.50	465	.77	.74	4.1	14.2	.60	2.7	—	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

FINANCIAL NEWS

NRN STOCK INDEX
Food-Service Operators Market Value
140
130
120
110
100
90
0 4 8 12 16 20 24 28 32 36 40 44 48 52
Aug. Sept. Oct. Nov. Dec. Jan. Feb. March April May June July
Source: Media General Financial Services
Oct. 28, 1983 = 100


NRN STOCK INDEX VS. DOW JONES INDEX
Food-Service Operators Market Value Relative Performance
110
105
100
95
0 4 8 12 16 20 24 28 32 36 40 44 48 52
Aug. Sept. Oct. Nov. Dec. Jan. Feb. March April May June July

Stock Market

Financial Update

Company and Market	7-12-85 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Volume Weekly Shares Traded Total	Volume Weekly Shares Traded % Out	Volume 12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Dividend Rate Amt.	Indicated Dividend Rate Yld.	Latest Report New Report	Latest Report Period	Latest Report Date Ended	Latest Quarter Revenue Amt.	Latest Quarter Revenue Chg.	Latest Quarter Net Income Amt.	Latest Quarter Net Income Chg.	Latest Quarter E.P.S. Amt.	Latest Quarter E.P.S. Chg.	Year-to-Date Revenue Amt.	Year-to-Date Revenue Chg.	Year-to-Date Net Income Amt.	Year-to-Date Net Income Chg.	Year-to-Date E.P.S. Amt.	Year-to-Date E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.13	- .50	- 5.8	8.88	8.13	12.75	6.88	188	.62	.90	- 31.1	27.1	.08	1.0	—	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks M	13.00	1.00	8.3	13.25	12.00	16.63	8.75	887	2.01	.86	133.7	18.6	.00	.0	—	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	12.50	- .25	- 2.0	13.13	12.50	21.50	10.75	1,224	1.27	2.33	- 45.5	27.8	.40	3.2	—	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc O	1.50	.00	.0	1.63	1.50	4.63	1.50	241	.71	.71	.0	NE	.00	.0	—	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants M	8.00	- .25	- 3.0	8.25	8.00	16.38	7.50	234	.35	.73	- 52.1	19.5	.00	.0	—	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.25	- .13	- 1.5	8.38	8.13	8.88	5.38	75	.27	.56	- 51.8	19.2	.00	.0		3 mos.	03-85	33.2	10.7	(.3)	NC	(.12)	NC	33.2	10.7	(.3)	NC	(.12)	NC
Rest Mgmt M	19.50	.50	2.6	19.50	18.25	19.50	9.00	110	.69	1.79	- 61.5	20.5	.09	.5	—	6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems M	15.50	.75	5.1	15.75	14.75	16.50	11.75	168	.73	.95	- 23.2	17.0	.00	.0	—	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	2.25	.00	.0	2.38	2.00	6.25	1.75	266	.51	.77	- 33.8	NE	.00	.0	—	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Ruby Pelican M	16.88	.00	.0	16.88	16.63	18.25	11.00	63	.22	.55	- 60.0	22.8	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam M	16.50	- .25	- 1.5	16.75	16.00	19.25	11.34	1,162	1.68	1.68	.0	30.0	.00	.0	—	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp N	27.13	.13	.5	27.13	26.63	35.50	24.50	1,140	.87	1.28	- 32.0	10.9	.52	1.9	—	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef M	8.38	- .38	- 4.3	8.88	8.38	9.00	6.75	142	1.13	.74	52.7	14.7	.00	.0	—	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	8.25	.63	8.2	8.38	7.25	9.50	6.50	1,255	3.44	2.31	48.9	3.8	.00	.0	—	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc M	29.25	.13	.4	29.25	28.63	31.88	19.88	3,829	1.35	1.03	31.1	24.6	.15	.5	—	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	12.38	- .25	- 2.0	12.50	12.13	16.59	12.13	177	.32	1.22	- 73.8	11.7	.00	.0	—	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp M	4.75	.00	.0	4.75	4.00	6.50	3.25	59	.38	.28	35.7	NE	.00	.0	—	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	24.00	.00	.0	24.00	23.50	24.00	12.00	1,196	1.75	1.03	69.9	16.6	.00	.0	—	fiscal	04-85	42.6	13.0	2.9	16.0	.42	16.7	159.5	11.9	9.9	23.8	1.45	23.9
Skippers M	9.75	- .38	- 3.7	10.13	9.75	12.50	8.00	1,087	3.98	1.26	215.9	10.8	.06	.6	—	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality M	4.75	- .50	- 9.5	5.13	4.50	5.88	4.00	1,090	2.19	2.26	- 3.1	13.6	.00	.0	—	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	.63	.13	25.0	0.75	0.50	1.44	.50	395	.26	.46	- 43.5	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.13	- .38	- 15.0	2.38	2.13	3.50	1.50	280	.67	.44	97.7	NE	.00	.0	—	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	5.75	.25	4.5	6.00	5.50	7.75	4.75	92	.24	.21	14.3	19.8	.00	.0	—	3 mos.	03-85	8.8	22.2	.3	.0	.07	- 12.5	8.8	22.2	.3	.0	.07	- 12.5
Taco Viva M	6.13	.75	14.0	6.13	5.38	7.50	4.84	1,402	4.09	1.32	209.8	18.0	.00	.0		9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	10.25	.00	.0	10.38	9.88	12.63	7.88	462	.40	.65	- 38.5	15.3	.00	.0	—	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.75	2.00	40	.26	.09	188.9	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY M	21.13	1.13	5.6	21.50	19.50	21.50	1.81	1,966	4.51	4.62	- 2.4	88.0	.00	.0	—	3 mos.	02-85	2.0	185.7	.2	NC	.04	300.0	2.0	185.7	.2	NC	.04	300.0
Transworld N	39.75	- .75	- 1.9	40.50	38.75	40.63	25.13	5,594	1.57	1.93	- 18.7	12.9	.48	1.2	—	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes M	5.25	- .25	- 4.5	5.44	4.88	5.75	2.75	3,702	5.89	2.37	148.5	15.0	.28	5.3	—	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants M	24.38	.25	1.0	24.50	23.88	28.25	13.25	4,295	5.11	5.27	- 3.0	20.3	.12	.5	—	6 mos.	04-85	85.8	61.0	1.4	- 30.0	.17	- 43.3	192.5	121.3	2.8	- 9.7	.34	- 26.1
Victoria Stations M	3.00	- .25	- 7.7	3.13	2.88	7.13	2.13	300	.85	2.80	- 69.6	NE	.00	.0	—	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	17.50	.00	.0	17.50	17.13	19.13	12.19	7,409	1.01	1.43	- 29.4	18.2	.21	1.2	—	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wdn Steer M	11.50	2.00	21.1	11.50	9.50	11.75	9.00	120	.99	.29	241.4	18.9	.20	1.7	NEW	3 mos.	03-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp N	6.25	.25	4.2	6.25	6.00	13.38	5.13	291	.58	1.02	- 43.1	44.6	.00	.0	—	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.75	- .25	- 8.3	3.13	2.63	5.63	1.88	1,413	1.07	1.13	- 5.3	NE	.10	3.6	—	3 mos.	03-85	16.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	65.38	- .63	- .9	66.13	65.00	73.50	45.50	2,133	.86	1.31	- 34.4	14.3	1.80	2.8	—	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	54.13	- 1.13	- 2.0	55.88	53.50	57.63	35.25	2,746	.96	1.32	- 27.3	13.6	1.00	1.8	—	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.06	56.5
Prime Mtr Inn N	30.50	- 1.50	- 4.7	32.00	30.50	33.63	13.69	1,035	.54	.86	- 37.2	27.0	.09	.3	—	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns N	7.38	- .13	- 1.7	7.50	7.13	8.25	5.13	3,397	.91	1.77	- 48.6	92.2	.00	.0	—	3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Service Inc M	23.25	.00	.0	23.25	22.50	23.25	14.78	378	1.09	.70	55.7	14.7	.00a	.0	—	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl M	22.50	.00	.0	22.50	22.50	27.00	18.50	3	.02	.07	- 71.4	7.6	.40	1.8	—	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	19.25	.25	1.3	19.50	18.88	22.63	15.00	541	.90	2.26	- 60.2	19.1	.40	2.1	—	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut N	8.00	- .38	- 4.5	8.38	7.88	11.41	7.03	213	.44	.61	- 27.9	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 66.7	87.1	.2	.4	- 60.0	.09	- 57.1
Disney, Walt N	87.75	- 4.00	- 4.4	91.50	85.63	95.00	49.50	9,102	2.76	1.78	55.1	60.9	1.20	1.4	—	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Arden Intl O	2.13	.13	6.3	2.25	2.00	2.75	1.13	78	.33	.57	- 42.1	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills N	60.50	- 1.13	- 1.8	61.75	59.63	64.00	47.75	4,539	1.02	1.93	- 47.2	35.8	2.24	3.7	—	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	41.25	.38	.9	41.25	40.75	44.50	38.50	2,361	.49	1.00	- 51.0	10.9	2.80	6.8	—	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	9.00	- .25	- 2.7	9.50	8.38	15.59	8.38	1,854	1.34	1.36	- 1.5	17.3	.00a	.0		3 mos.	03-85	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0
Ogden Corp N	30.38	- .50	- 1.6	30.88	29.88	31.88	24.13	1,145	.60	.81	- 25.9	14.7	1.80	5.9	—	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc N	59.75	- .75	- 1.2	60.50	57.25	60.50	39.88	26,689	2.78	1.96	41.8	15.6	1.78	3.0	—	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co N	52.88	- 1.88	- 3.4	54.88	52.75	56.63	35.50	3,123	.72	.75	- 4.0	12.5	1.56	3.0	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	- 17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restac O	3.50	.00	.0	4.00	3.50	4.50	3.50	13	.07	.09	- 22.2	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Vie de France M	10.75	.25	2.4	10.88	10.38	15.25	8.13	1,162	1.07	1.28	- 16.4	18.2	.23	2.1		9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

California's Tower sets sights on East —Focus/F4

Congress mulling changes in job discrimination rules —Page 40

Operators begin drive to fight world hunger —Page 3

Nation's
Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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Key Pioneer execs resign

Corporate staff cut 10% as sales stall

By Richard Martin

LOS ANGELES — Hounded by flat same-store sales and restaurant closures in its 320-unit fried-chicken chain, Pioneer Take Out Corp. has cut its corporate staff by 10% and accepted the resignations of president Frank Damante and other senior executives.

Founder and chairman H. R. "Rick" Kaufman has resumed the presidency of the 23-year-old, privately held company, which reported systemwide sales of $103.4 million last year.

Demante

Bart Jolin, former Western regional general manager at four divisions of Campbell Soup Co.'s restaurant group, was named Pioneer's executive vice president in charge of operations, real estate, construction, marketing, research and development. He had been concept development vice president, reporting to Kaufman, for the last two years.

Damante, who was named Pioneer's president and chief operating officer in April 1984, had previously been Western regional vice president of Sara Lee Corp.'s PYA/Monarch division and senior vice president of W. R. Grace's Far West Services division. He had also held vice presidencies with Nobel Food Services and A&W International.

Resigning their posts along with Da-

*(See **PIONEER**, page 55)*

Eli Schulman

Leading steakhouses press expansion drive

By Paul Frumkin

The great independent steakhouse expansion race is under way, and the players all seem to agree that the entire pack could finish well in the money.

The New York-based Palm, owned by Bruce Bozzi and Walter Ganzi, is unquestionably the early front-runner in this race, with nine steakhouses already open and one more planned for 1986.

But by the end of the year, Chicago restaurateur Arnie Morton could be closing the gap, with three steakhouses in operation and another four expected to open by December.

A late starter is the giant 500-seat Smith & Wollensky in New York, co-owned by Alan Stillman, Mike Byrne and a group of investors. Yet, if plans run smoothly, there could be two new Smith & Wollenskys operating by the end of 1985 and another two opening in 1986.

Ironically, the big push among those independents to expand nationally seems to run counter to the declining popularity of red meat in this country. According to the U.S. Department of Agriculture, per-capita con-

*(See **STEAKHOUSES**, page 12)*

SELECTED STEAKHOUSES

	Owner(s)	Existing Locations	New Locations	Check Average	Avg. Unit Sales
Morton's of Chicago	Arnie Morton	Chicago, Washington, D.C., Philadelphia	Denver, Dallas, Atlanta, Westbrook, Ill.	$40	$3.0M
Smith & Wollensky	Alan Stillman, Michael Byrne, other investors	New York	Boston, Chicago, Los Angeles, Texas	40	11.0M
The Palm	Walter Ganzi, Bruce Bozzi	New York (2), East Hampton, N.Y., Washington, D.C., Chicago, Dallas, Miami, Los Angeles, Houston	San Francisco	40	N/A

Independent builds sales with dessert bar

By Ken Frydman

LITITZ, Pa. — A $7.25 all-you-can-eat chocolate-dessert bar, crammed with mousses, tortes, bonbons and cakes, has helped boost revenue 25% since it was installed at the Wells-Warwick House restaurant last November.

"We project sales increasing from $400,000 to $500,000 this year thanks mostly to the chocolate-dessert bar," said Ray Wells, co-owner with his wife, Judy, of the 100-seat steaks, chops and seafood restaurant, located seven miles north of Lancaster.

Of the restaurant's 1,000 average weekly customers, approximately 200 partake of the chocolate-dessert bar, according to Ray Wells. The Wellses and their service staff suggestively promote the calorie-lovers 'dream' table tents and "reminders to check it out when customers are at the salad bar," he added.

Since the introduction of the chocolate-dessert bar, the Wells-Warwick House's average per-person dinner check has increased $2.50, to $15, and the average lunch check 50¢, to $7, according to Ray Wells.

"When someone sits down and has 8 or 10 desserts, we lose money," said Judy Wells. "But others compensate for the loss by eating like normal people."

*(See **DESSERT**, page 55)*

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NEWSPAPER

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Bernstein

Flat store sales spur Rax rollout

Chain adds dinner salads to boost evening traffic

By David Zuckerman

COLUMBUS, Ohio — Rax Restaurants, whose average unit sales have plummeted 7% to $709,000 this year, is adding three new individually packaged "Fiesta Salads" to its 30-item menu in an effort to increase traffic after 4 p.m.

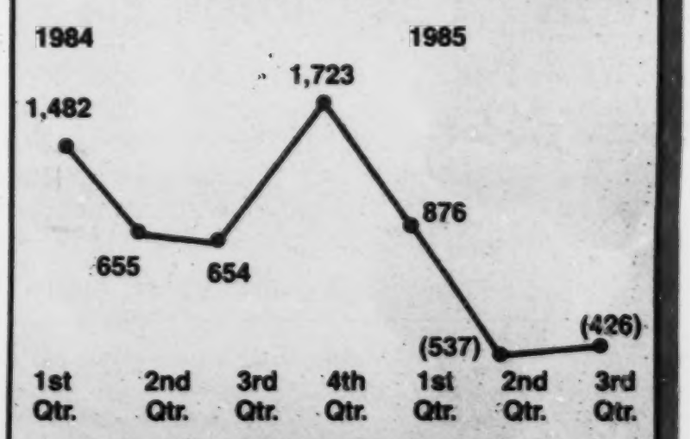
Meanwhile, officials of the 450-unit chain said they would concentrate on a stepped-up marketing drive and improved site selection to reverse a yearlong slump in sales and earnings that will all but wipe out net profit for the fiscal year ending July 31.

For the most recent quarter, Rax posted a $426,000 net loss on revenues of $27.2 million as compared with $654,000 profit in the year-earlier period. In the first 39 weeks of fiscal 1985,

*(See **RAX**, page 55)*

RAX'S RECENT LOSSES

(Net Income [Loss] by Quarter, In $ Thousands)



Average Unit Sales

Source: Company reports

L.A. restaurants begin drive to fight hunger

By Richard Martin

LOS ANGELES — Not to be completely outdone by rock music's megadollar fight against world hunger, the Los Angeles food-service community has launched a we-are-the-restaurants campaign to fight famine.

Spearheaded by chef-owner Ken Frank of La Toque in West Hollywood, local restaurants supporting the S.O.S.-Share Our Strength organization are proclaiming their commitment on a Sunset Strip billboard above Frank's restaurant.

Bill Shore, a senior aide to Sen. Gary Hart, began the nonpolitical S.O.S. program last November. The organization intends to link the world's largest food-supply system, the United States restaurant industry, with the globe's biggest consumer group, the American public, to fund hunger relief efforts.

Restaurateurs in at least 18 U.S. cities have begun local S.O.S. chapters, organized by such industry notables as Frank and Alice Waters of Chez Panisse in Berkeley, Ray Jacomo of The Palm in Washington and Jonathan Waxman of Jams in New York City.

For a minimum annual membership of $500, restaurants get an S.O.S. sticker for their windows, allowing concerned customers to participate through their patronage. S.O.S. officials estimate that more than $10 million a year would be raised if only 5% of the nation's 400,000-odd restaurants joined the campaign. Funds raised go to existing domestic and international hunger-relief groups, including Oxfam-America, CARE and Second Harvest.

Describing U.S.A. for Africa as an afternoon's work for the rock musicians involved, Frank called the $500 annual S.O.S. dues "an evening's work for a successful restaurant." Initial joiners getting maximum billboard exposure with La Toque are The Bistro, Spago, Scandia, Chaya Brasserie, Jimmy's, Valentino, At Marty's, Ma Maison and Gladstone's 4 Fish.

At least 37 more local establishments, including Orleans, Le Chardonnay, The Grill, Hard Rock Cafe, Carlos 'n Charlie's, Gulliver's and 20 units of the Hamburger Hamlet chain, are now also represented on the billboard.

Billboard above La Toque on the Sunset Strip.

Custom Creamery Systems is planning to spend $15 million in cash, stocks and stock warrants to acquire Orange Julius.

Orange Julius sale imminent

Custom Creamery agrees to acquire soft-drink chain

NEW YORK — Custom Creamery Systems has agreed in principle to acquire Santa Monica, Calif.-based Orange Julius International for $10 million in cash, $4.5 million in stock and $500,000 in common stock purchase warrants.

The purchase is subject to approval by Orange Julius's 40 stockholders. A vote is scheduled for Aug. 22 in Santa Monica.

Upon completion of the deal, Custom Creamery, a publicly held processor and distributor of dairy, ice cream, juices and tofu-based products based here, will change its corporate name to Orange Julius International Inc., said its president, Munawar H. Hidayatallah.

The company, which recorded $200 million in sales last year, markets its products under Hawthorne Mellody and other brand names. It also owns 19,000 vending machines in Ohio, Kentucky, Indiana, Florida and Michigan.

The existing Orange Julius management team, headed by president and chief executive James J. Bischoff and chairman A. Michael Bloom, will not change, Hidayatallah said.

The 766-unit chain reported a net profit of $772,000 on revenue of $11.5 million for the six-month period ended Feb. 28. For the year ending Aug. 31, officials project systemwide sales of $123 million.

All but 33 units are franchised. About 95% of all units operate in malls and shopping centers. Expansion plans call for 35 to 40 new units in the United States and 10 to 12 in Canada by 1986.

Hidayatallah's plans for the company include using Orange Julius name recognition with numerous new products to be phased in slowly, aimed at bringing the stores more of a healthful, nutritional ambience. In addition to the chain's fruit-based proprietary drink, which accounts for as much as 70% of sales, will be new yogurt and tofu-based drinks and a concoction of tofu-based dessert, yogurt or ice cream mixed with cookies, candies or fruit and blended in Custom Creamery's patented Homogenizer machine.

Marketed through Flavor Factory kiosks, the machine is also used in 11 Woolworth stores, several colleges and other locations. Hidayatallah, 41, said he also wants to eventually roll Orange Julius drinks into supermarkets and vending machines. The chain is now testing new nachos and a "Cream Supreme" drink line.

Joe Johnston leaves as chairman of K-J

OKLAHOMA CITY — Joe Johnston has resigned as chairman and chief executive of Kelly-Johnston Enterprises as part of the company's reorganization under Chapter 11 of the Bankruptcy Code.

Johnston, 41, will be succeeded by executive vice president Raymond S. Koss, 36.

The move leaves Kelly-Johnston—a Chi-Chi's franchisee and owner of the Duff's and Joe Kelly's chains—without the two men who founded the company in 1977. The other co-founder, Arthur "Mike" Kelly, resigned in 1984 amid the first signs the company was in serious financial trouble.

After Johnston's resignation, Koss disclosed a series of managerial changes at all three restaurant divisions:

- Gary Zambon, 30, has been named president of the company's Duff's division, which operates nine restaurants and franchises about 50 restaurants. Zambon, previously Duff's franchising vice president, succeeds president William Chizmar, 38, and operations vice president Tom Dowling, both of whom resigned.

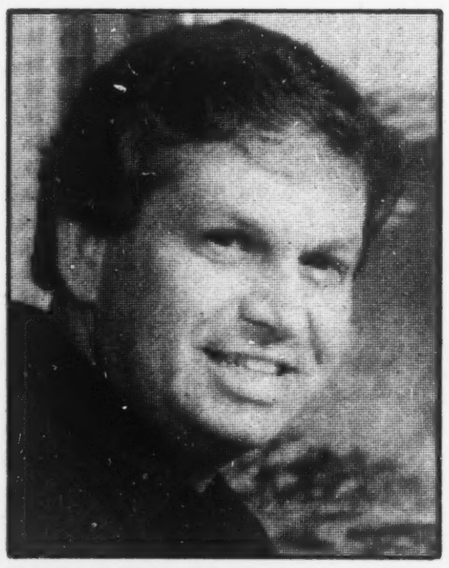
In addition, Kelly-Johnston has moved Duff's headquarters from Oklahoma City to Orlando, Fla.

- Roy Dunn, 33, has been named to oversee the company's Chi-Chi's division, which operates 17 franchises, and Joe Kelly's Inc., operator of six Joe Kelly's seafood dinnerhouses.

Dunn, who recently returned to the company after a brief departure, succeeds Ron Fuller, previous head of operations for Joe Kelly's; Bruce McGlinchey, previously Joe Kelly's president; Sam Talucci, former Joe Kelly's supervisor; and Jim Murdock, who had been president of the Chi-Chi's division.

The company will soon close seven to nine Chi-Chi's restaurants and all six Joe Kelly's restaurants, Koss said. Kelly-Johnston has been trying to sell some Chi-Chi's units to the parent company, which is based in Louisville.

Koss said Kelly-Johnston, which has been operating under Chapter 11 since April, consolidated the management team because "for the long pull, we agreed we need just one man heading up each area." Under Chapter 11, a company seeks protection from creditor lawsuits while it works out a plan to pay its debts.



Joe Johnston

Kelly-Johnston, once one of the most promising new companies in food service, listed assets of $8 million and $62.8 million in liabilities when it filed for reorganization April 26.

Wall Street analysts and other industry observers said the company's problems began shortly after it purchased the then-133-unit Duff's chain for $20 million in the summer of 1983.

Soon afterward the company uncovered operational problems in the Duff's system and was forced to close several ailing Chi-Chi's.

Store-level sales up 6% at biggest chains

MIDDLETOWN, N.J. — Store-level sales at the nation's 17 biggest restaurant chains held to a steady 6% year-to-year rise in June, according to Restaurant Trends Inc., a market research firm.

But rising prices narrowed inflation-adjusted gains to 3%, from 3.5% in May, said Carl DiBiase, a partner in the firm, which tracks sales at 100 chains through thousands of telephone interviews with managers every month.

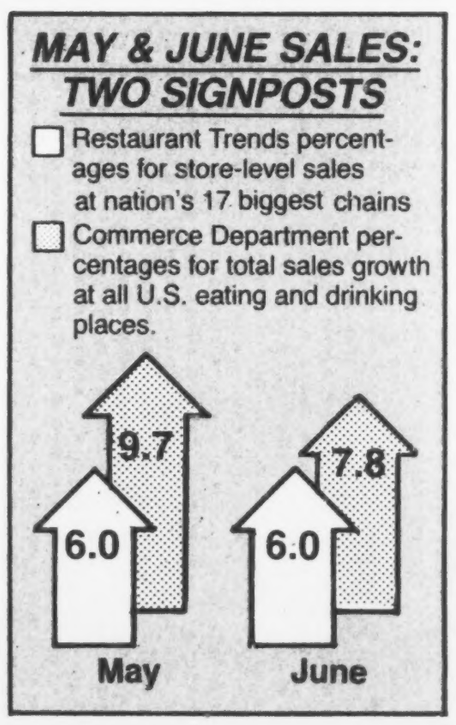
DiBiase said the menu-price inflation rate in June was at its highest level since March 1984, "which means that real sales increases were slower than in May."

The release of data from Restaurant Trends Inc. coincided with a report from the U.S. Commerce Department's Bureau of the Census. That report estimated sales at all the nation's eating and drinking places climbed 7.8% in June from the year before, to $11.71 billion.

The government's June 7.8% estimate followed a revised 9.7% gain in May and a 6.2% rise in April. The government's figures are not adjusted for seasonal trading-day differences or for inflation, which eased in May to 3.8% after a steady 3.9% rate since January, according to the government.

DiBiase said his firm's surveys indicated that major chains were widening their leads over smaller chains.

He suggested that the big chains' advertising power was overwhelming smaller chains. Burger chains, he said, have been outperforming all other concepts in recent months.



Bombay Palace hits D.C., opens 8th unit

By Marilyn Alva

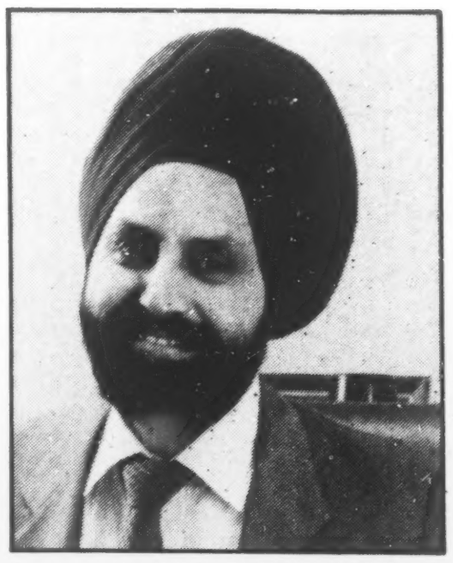
Interest in India is sweeping the country on a grass roots level as cities throughout the United States celebrate a "Festival of India" this year, and no one Indian business is more in the limelight than Sant S. Chatwal's Bombay Palace restaurants, fast becoming a worldwide empire in its own right.

With the opening this month of the eighth Bombay Palace, in Washington, D.C., (another Indian restaurant in Montreal goes by a different name), Chatwal's staff remarks that Bombay Palace is the largest single-owned Indian restaurant chain in the world, a feat 39-year-old Chatwal accomplished within the last 10 years.

Earlier in the year all of Hollywood seemed to have turned out for Bombay Palace's arrival in Beverly Hills, where the opening night crowd included Joan Collins, Cheryl Tiegs, Susan George and Los Angeles Mayor Tom Bradley.

"Ambitious, I am," said Chatwal during a recent interview in his Manhattan headquarters offices. "I would like to take Indian cuisine to the world."

He intends to do just that.



Sant S. Chatwal

From Washington, Chatwal plans to move on to a Paris opening (mid-1986) followed by others in New Delhi, Bombay (for sentimental reasons), Singapore, Peking and Hong Kong. He has just hired a Far

*(See **BOMBAY**, page 13)*

Food vendors score at '85 All-Star Game

MINNEAPOLIS — Bleacher-seated fans devoured more than $270,000 in grilled sausages, hand-dipped ice cream, beer and soft drinks while they watched the 56th annual All-Star Game at the Hubert H. Humphrey Metrodome here July 16. Private-suite caterers also enjoyed record munching on the part of patrons.

Officials of Interstate United, a contract concessionaire at the Metrodome, reported $274,000 in sales during the event, which attracted 53,911, the largest crowd that ever watched a baseball game in Minnesota. Typical game sales and attendance at the Metrodome are $76,400 and 23,000 respectively, they said.

Michael Goldman, president of the Minnesota Vikings Foodservice Inc., which provides food to the stadium's 155 private suites, declined to reveal sales figures but did say the All-Star Game was "by far" the biggest event his group has catered in the four years the Metrodome has been open.

A spokesman for the contract feeder said no special menu items or strategies were used for the game, "but we did do a lot of planning . . . beefed up everything."

Arby's TV advertising pushes 'nutrition' in roast beef

By Mark Schoifet

ATLANTA — Arby's, which has introduced and tested a spate of new products over the past two years, is moving back to basics with a television advertising campaign that focuses strictly on the "nutritional value" of its signature roast beef sandwich.

"We want to ensure we haven't lost anything in the diffusion," said Robert McDowell, chief operating officer of the 1,440-unit fast feeder.

The campaign, dubbed "Go for the Lean," broke nationally on July 8 and will run through the end of the year and "well into 1986," McDowell said. It replaces the two-year-old "Welcome to Arby's" campaign.

"The advertising is really trying to say two things," McDowell explained. "No. 1, that roast beef is a contemporary food product. And No. 2, that Arby's roast beef is lean and really the standard of leanness in the entire red-meat category."

Roast beef, which accounts for 75% of entrée sales at Arby's, contains half the fat and cholesterol of a typical hamburger, McDowell said. "I think in the past few years red meat has taken perhaps more than it deserves on the chin," he added.

McDowell said Arby's would slow its rate of new-product introductions and "stay relatively single-minded" for at least the next six months.

The "Go for the Lean" campaign features two 30-second spots produced by Grey Advertising in New York. The commercials will run nationally and will be available for spot use by the chain's 1,258 licensees.

The "awareness" spot uses a mime, a woman in a bathing suit, a motorcyclist and two Little Leaguers to illustrate Arby's point that roast beef complements an active lifestyle. The second spot focuses only on the chain's "super" roast beef sandwich.

Arby's serves what it calls "restructured" roast beef, which is beef with a small amount of water, salt and food phosphate added to enhance flavoring.

Over the last two years, Arby's has introduced croissant breakfast, stuffed baked potatoes and chicken and fish sandwiches and salad bars. It has also tested a rotisserie-roasted skinless chicken breast.

In other news, Leonard Roberts, former chief operating officer of Ralston Purina's food-service division, has begun his stint as president and chief executive of Arby's.

D. J. Glazer, group executive vice president for Royal Crown, Arby's parent company, said Roberts "comes to Arby's with a wealth of general management and marketing experience from his 11-year career at Ralston Purina.

"Leonard's track record, his leadership qualities and his business acumen will be both exciting and valuable assets toward Arby's current and future growth plans."

Roberts received his undergraduate degree from the University of Illinois and a law degree from De Paul University. Since joining Ralston Purina in 1974, he served in a variety of marketing and general management positions.

West Coast show dates

The Western Restaurant Convention & Exposition sponsored by the California Restaurant Association runs Aug. 10-13 at the Los Angeles Convention Center. A recent Calendar listing had the wrong dates.

COMMODITIES

Seafood market loosens; Maine lobsters priced low

NRN Special Report

The destruction of pesticide-contaminated California watermelons early this month had greater effect upon the market than the situation warranted. Although about 100 fields in Kern County were affected and watermelons were destroyed, the public's confidence in the melon's safety was damaged. The immediate reaction of the market was for a price rise, and then the melons from safe areas of the state and output of Southern states started to back up, and watermelon prices dropped. Quick action in putting "safe" labels on California melons turned the tide, with prices starting to even out again.

There is some good news in the generally tight seafood market for operators. Maine lobster fishermen are having one of their best years in the past six to seven, and the price has fallen. Brazilian lobster tails are coming into this country in good supply, with prices dropping after the spring conservation period in that country. Frozen scallops are available in good supply from domestic sources, Canada and Iceland, with prices lower. Gulf brown shrimp are in good supply, particularly in the smaller counts, with prices down.

Although most fish prices are still at elevated levels and the harvest of king and snow crab is still small, the drop in prices of some of the other popular seafoods looks as if it will hold into fall.

Many of the more popular fish and shellfish show a cyclical growth pattern. Dungeness crab in the West Coast, for example, has a six-year cycle and is at lowered supply levels this year. On the other hand, Maine lobsters are being lured into the traps in numbers that set a record compared with catches of the past few years. Prices have fallen at dockside to $1.80 a pound for the first time in nearly a decade.

A tightening of Brazilian lobster tail supplies was felt as a result of the conservation period this spring, when that country's fishermen were banned from harvesting the crustaceans. However, most importers stocked up in anticipation of the slowdown in shipments, so prices did not soar. Good supplies have been available lately, with the price down 30¢ to 40¢ a pound on 5-oz. tails.

Scallop harvest for domestic fishermen has been better this year, and that, combined with increased imports from Canada and Iceland, has pushed down the price of 30/40 count scallops to about 60¢ less than it was last year, and about 20¢ to 30¢ lower than it was last month.

In the Gulf of Mexico boats are bringing back a bumper catch of brown shrimp, although large sizes are still scarce. Most is going to the frozen packers, although the fresh market and canners are beginning to get adequate supplies. Most plentiful have been the smaller sizes, although the popular 16/20 count in frozen shrimp has dropped about 15% from what is was last month and about $1.35 from what it was last year.

Frozen block and slab cod (from which portions are made) is still in short supply, with holdings in June down 24% from the supply last year. However, lackluster demand has let prices slide about 2¢ to 3¢ a pound, and the price of frozen portions has remained constant for the past several months. Prices for fillets of popular species are firm. Demand for upscale fillets seems to be stronger than for the standard portions. Increased production has held a ceiling on prices with cod fillet freezings up nearly one and a third times in the first six months of the year over what they were in the first half of 1984.

Canned salmon inventories are the highest since 1982, but the prices are holding at steady levels, although some packer discounts from lists of up to $2 per case on last year's pack have been reported.

PRICE MOVEMENT AT A GLANCE

	July 17 1984	June 17 1985	July 17 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.03	$0.89	$0.84
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5646	$0.5703	$0.5560
Coffee, green beans, Brazilian, NYC (lb.)	$1.45	$1.40	$1.33
Eggs, Grade A large white, Chicago (doz.)	$0.69	$0.64-$0.67	$0.56-$0.59
Lobster tails, frozen, Brazil, 5-oz., NYC (lb.)	$10.20	$9.80	$9.50
Pepper, black, imported, NYC (lb.)	$0.97	$1.96	$1.94
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$1.17	$0.90	$1.11
Scallops, frozen, Canadian, 30/40 ct., Boston (lb.)	$5.40-$5.60	$5.00-$5.35	$4.80-$5.00
Shrimp, Gulf brown, 16/20 ct. (lb.)	$7.20	$6.00	$5.85

Source: *NRN* Research